Louisiana Department of Public Safety
Office of Motor Vehicles

# Policy 108.00 Low Billing Tolerances Tax Administration No. 30.17

**Section:** 4. Motor Vehicle Registration Requirements

**Effective Date:** 05/28/1999

**General**:

- A uniform billing tolerance in the amount of $9.99 will be used in the collection of unpaid sales/use taxes, interest, penalties, permits, and fees on vehicle transfers. The purpose of a billing tolerance is to eliminate billings in cases where the cost of billing and collections would exceed the amount due.
- The billing tolerance can be used when an audit reveals that incorrect taxes and/or fees were collected. The registered owner will not be billed for additional money if the amount due is $9.99 or less.
- **Example**: An operator processed a file on February 13, 1999, but entered an incorrect tax date and collected $150.00 in taxes and fees. On May 11, 1999, an auditor discovered the error and calculated that entering the correct tax date would have resulted in the collection of $157.00. Since there was only a $7.00 difference, the registered owner will not be billed for additional money.
- This policy does not affect the shortage policy (Section IV, Policy/Procedure Statement #63.0) which allows a file to be processed $1.00 short.